File No. ED 180 CSL 72

KARNATAKA GOVERNMENT SECRETARIAT

Notes/Correspondence/Collection

Department..... **Section**.....

Subject :— Exemption from S.L
Draft-form

Earlier References :—

Late References :— P-12 E

(Classification ~~A/B~~/C)

Notes Pages.....3.....
Correspondence Pages.....9.....
For/Not for section Note Book
To be destroyed after.....1985

~~Under Secretary to~~
Government

DOCKET SHEET

Department: Finance

File No. FD 180(54)72

Section Commercial Taxes

Volume:

SUBJECT

Draft para on "Irregular Exemption - Sales Tax"

Number and date	To whom sent	Instructions
1	2	3
	Secy. F.D. No 8012 9.6.72	
	Joint Secy. F.D. No 9210 Dt. 4.7.72	

[P.T.O.

1

p1/cs

1) Pl. see D.O. letter No.AA/Rep.V/34 dt.31.5.72, of the Accountant General, regarding 'Irregular Exemption - Sales Tax'. Draft letter to the A.G. acknowledging the receipt of the letter with a endorsement to the C.C.T. to furnish necessary information, is put up for approval.

2) 1. 19/6. Issued 7/6/72

3) Reference paragraph 2 above

19/6.

4) The C.C.T is requested to send the necessary information. In Person

J.S(B) 9-6-72

5 [illegible]

Draft D.O. Reminder is put up.

20/6.

Pl see C C T's letter at p6/cs.

Draft letter to A.G. may sign

13/7 Before [illegible]

J.S(B) 13/7

[illegible]

2

This may be closed as C' after taking entry in the Call Book to peruse the answer after 3 months

9

11/7

Sl. 7/4.

Letter No. AD/SR-3/72-73 dated 26.6.1974 from the C.C.T.

Pl see Govt letter on p. 7/4. Even though the AG was addressed requesting him to drop the audit para in question, the CCT was requested to obtain the explanation of the Officer concerned for his failure to raise the demand in question. 10

The C.C.T has pointed out that the DCCT (Mysore) passed an order levying Tax on the Turnover referred to in the audit para but the dealer protested and filed an appeal before STAT, who allowed the appeal and set aside the order of DCCT. The case has been remanded to the assessing authority with a direction to give an opportunity to the dealer to convince him (CTO) whether Turnover is subject to or not subject to tax. It is therefore premature to decide whether realisation of addl. tax is involved or not and it is equally premature to call for any explanation of the concerned officer at present. 11

The CCT's view is correct and may be accepted and receipt of further report awaited. 12

Dy. Secy. F.D. No. 1613 Date. 6/7/74

DS(A). Yes. 8/7

5/7/74

9/7

This file may be kept in bus till 30.9.74.

Sd/11/7

ek:
10/7.

Sus-review

The draft-para relates to 1971-72. Since
this has already been printed, the file
may be closed. ~~Explain~~ The item can be
explained before the Committee

Sd 9/8.

Sd(x)

Jm 11/8

J 12/8

US(CT)

Jm 12/8/75

9/8 record under 'C'

Sl-No. 7.

GOVERNMENT OF KARNATAKA

No.ADT/SR.3/72-73.

Office of the Commissioner of Commercial Taxes, Karnataka, Bangalore-1, Dt: 26th June, 1974.

To

The Secretary to the Government,
Finance Department, Bangalore.

Sir,

Sub: Draft para on "Irregular exemption-Sales Tax".

Ref: Your letter No.FD 180 CSL 72 dated 10th July, 1972.

The Deputy Commissioner of Commercial Taxes, Mysore, passed an order under Section 21(2) of K.S.T. Act 1957 levying tax on the turnover of Rs.1,37,961/-, mentioned in the "Draft Paragraph". The dealer filed an appeal before the Sales Tax Appellate Tribunal, against the order passed by the Deputy Commissioner of Commercial Taxes. The Sales Tax Appellate Tribunal has allowed the appeal and has set aside the order of the Deputy Commissioner of Commercial Taxes, passed under Section 21(2). The case has been remanded to the Assessing authority with a direction to afford reasonable opportunity to the dealer to convince him that the disputed turnover has or has not been subjected to tax. The matter regarding realisation of additional tax, pointed out by Audit, is not yet finally decided. In the circumstances, it ~~is rather~~ would be premature to call for the explanation of the officer who had made the relevant assessment. The assessing officer has been separately

...2

addressed to intimate the result of giving effect to the decision of the Tribunal. In case additional tax is found to be leviable on the revision of assessment the explanation of the concerned officer will be called for and necessary action will be taken in the matter. A further report will be sent to the Government in due course.

Yours faithfully,

(R.A.NAIK)
COMMISSIONER OF COMMERCIAL TAXES.

kTs/*

Sl. No. 6.

DRAFT

No.FD 180 CSL 72.

To

The A.G.
(Mysore),
Bangalore.

Sir,

Sub: Draft para on 'irregular exemption - Sales Tax'

Please refer to your D.O. letter No.AA/Rep.V/34 dated 31.5.1972.

2. The C.C.T. has reported that the additional tax of Rs.2,069-42 together with a penalty of Rs.30-58 has been collected from the assessee vide Cheque No.049730 dated 26.5.1972. In the circumstances, it is requested that the proposed draft paragraph may be dropped.

Yours faithfully,

U.S. to Government, F.D.

C.C. to the CCT in Mysore, Bangalore. with reference to his letter No. ADT/SR-3/72-73 dated 23.6.72
He is requested to obtain the explanation of the officer concerned for his failure to raise the demand in question.

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rsr:

Sl.No.5

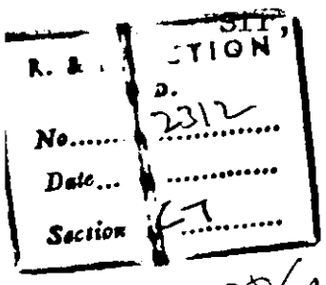
6

No.ADT/SR-3/72-73.

Office of the Commissioner of Commercial Taxes in Mysore, Bangalore, dated 23rd June,1972.

To

The Secretary to Government,
Finance Department,
Bangalore.



Sub:- Draft para on "Irregular Exemption - Sales Tax."

Ref:- Your letter No. FD 180 CSL 72 dated 7-6-1972.

In continuation of this office letter of even No. dated 15-6-1972, I write to state that the additional tax of Rs.2,069-42 together with a penalty of Rs. 30-58 has been collected from the assessee vide cheque No. 049730 dated 26-5-1972.

It is therefore, requested that the Accountant General may kindly be addressed to drop the draft para proposed for inclusion in the Audit Report.

Yours faithfully,

(D.J.Balaraj)
Commissioner of Commercial Taxes.

Msk.

Sl. No. 4.

5

C F. No. 45]

GOVERNMENT OF MYSORE

OFFICE OF The

Commissioner of Commercial Taxes
in Mysore, Bangalore- 1.

Telegram / phone

No. ADT/SR.3/72.73.
Encls.

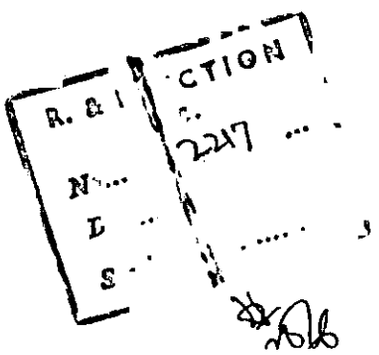
Date d. 15th June, 1972.

To

The Secretary to Government,

Finance Department, Bangalore.

Sir,



Sub: Draft Para on "Irregular Exemption -Sales Tax'

Ref: Your letter No. FD 180 CSL 72 dated 7.6.72 addressed to Accountant General and copy endorsed to this office.

....

I am to state that action has been already taken to obtain the information regarding the collection of additional tax levied on the assessee. Further report will follow soon after the receipt of information from the concerned assessing officer.

Yours faithfully,

(M. GURURAJ RAO)
for Commissioner of Commercial Taxes.

kTs/*

Sl. No. 3.

4

GOVERNMENT OF MYSORE

H.C.Gangadhara Murthy,
Under Secretary to Government,
Finance Department.

'Vidhana Soudha'
Bangalore,
dated: 20th June, 1972.

D.O.No.FD 180 CSL 72.

Dear Sri.Subramanya ,

Please refer to the marginally noted references regarding Draft Paragraphs received from the Accountant General, Bangalore. As replies to the Draft paras are to be furnished to the Accountant General, within 6 weeks, I shall be grateful if you could kindly arrarge to send the necessary information immediately.

1. Letter No.FD 180 CSL 72, dt.8.6.72 regarding draft para on 'Irregular Exemption - S.T.'
2. D.O.letter No.FS(PA)194/72 dt.8.6.72 regarding draft para on 'Grant of exemption in respect of C.S.T. on the subsequent inter-state Sale of goods'.
3. D.O.No.FS(PA)196/72, dt.8.6.72 regarding draft para on 'short levy due to wrong calculation-Agricultural IncomeTax.'

Yours sincerely,

2/6

Sri. M.S.Subramanyam,
Head Quarters Assistant to
the Commissioner of Commercial
Taxes in Mysore,
Bangalore.

C.C.to File No: 1. FD 182 CSL 72.
2. FD 28 CAX 72.

Sl.No.2

No.FD 180 CSL 72.

To

The AG
Mysore,
Bangalore.

Sir,

I am desired to acknowledge the receipt of your letter D.O.No.A1/Rep.V/34 dated 31-5-1972, regarding Draft Para on 'Irregular Exemption - Sales Tax', and to state that a reply will be sent to you as soon as ~~requisite~~ information is received from the Commissioner of Comml. Taxes.

Yours faithfully,

Under Secretary to Government,
Finance Department.

Copy to the C.C.T. He is requested to send the necessary information on the Draft Para a copy of which has already been sent to him by the A.G. in the above referred letter However a copy of the letter referred to above is enclosed for ready reference.

Under Secretary to Government,
Finance Dept.

rsr:

Sl. No. 1

CONFIDENTIAL

P. R. SHAMA SUNDAR,
Accountant General.

D.O. No. AA/Rep. V/ 34
OFFICE OF THE ACCOUNTANT GENERAL,
MYSORE ,BANGALORE,

Dated....31...May...1972

Dear Shri Mani Narayanswami,

I enclose a draft paragraph regarding....'Irregular ~~Exemption~~ Exemption - Sales Tax'.....which is proposed for inclusion in the Report of the Comptroller and Auditor General for the year 1970–71 of the Government of Mysore. The facts contained therein may please be verified and remarks if any, of Government may kindly be communicated to my office through the Finance Department within six weeks as laid down in O.M. No. FL (B) 422-464/LFA/6-52 dated 16th April 1952, of the Government of Mysore. If no reply is received within that period, it will be presumed that Government have no remarks to offer. In this connection reference is also invited to para 5 of O.M. No. FD 59 BUD 66 dated 5th August 1966. A copy of this paragraph has, been sent to...the Commissioner, Commercial Taxes, Bangalore. for information and necessary action.

Kindly acknowledge receipt of this letter and its enclosure.

Yours sincerely,

2.6.72

Shri Mani Narayanswami,

Secretary to the Government of Mysore,
Finance .....Department,
Vidhana Soudha, BANGALORE.

F.D.

Joint Sec'y.
No. T/1472-6/6

6/6

676(1)(T)72 FD 180 CSL 72

No. AA/Rep.

Copy together with a copy of the draft paragraph under reference is forwarded to the Secretary to the Government of Mysore, Finance Department, Vidhana Soudha, Bangalore/.....
.....for information and necessary action.

Accounts Officer.

No. AA/Rep.

Copy with a copy of the paragraph is forwarded to.....
for information. Copies/extracts of the references cited in the 'Key' of th draft paragraph may please be sent to A.A.D. Section early. The relevant cas files of ..... Section are returned herewith.

A.O.

Draft Para for inclusion in the Report of the Comptroller and Auditor General for the year 1971-72

Revenue Receipts -

Sales Tax -

Irregular Exemption -

Under the second proviso to Section 5(1) of the Mysore Sales Tax Act 1957, sale of gunny bags is taxable at 1½ per cent. In the case of an assessee, tax was not levied on a turnover of Rs.1,37,962 relating to the period July 1966 to June 1967. On this being pointed out by Audit, the department accepted the omission and levied an additional tax of Rs.2,069. Information regarding collection of tax is awaited (March 1972).

Sd/-
Accountant General

ACCOUNTS OFFICER

KEY:-

(1) Para 1 of Part IIA of the Local Audit Report of Commercial Tax Officer I circle Shimoga for the year 1969-70.

(2) Audit enquiry No.2(b) dated 7th May 1970.

(3) Letter No.ADT/110/71-72/dated 27th March 1972 from the D.C.C.T. Mysore division.

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